STAFF REPORT ON COMPLIANCE WITH VOLUNTARY PROCUREMENT AND EMPLOYMENT CONDITIONS 4TH QUARTER, 1998

Prepared for March 16, 1999, Board Meeting

This report illustrates riverboat gaming licensees' compliance with the voluntary procurement and employment conditions proposed in their respective applications.

These conditions were proposed by each of the applicants who received licenses to operate riverboat casinos in the State of Louisiana.

The Louisiana Riverboat Economic Development and Gaming Control Act provides for fifteen riverboat casinos to operate in the State of Louisiana. As of this date of this report, thirteen riverboat casinos are currently operating in the State of Louisiana.

This report is taken from figures reported by thirteen operating riverboats to the Louisiana Gaming Control Board for the fourth calendar quarter of 1998. Approximately, 15,287 people were employed by the riverboat industry for the 1998 fourth calendar quarter. Of that number, 15,035 were Louisiana residents, 8,718 were minorities and 8,727 were women.

Where the application did not set forth a specific procurement or employment figure, but instead relied on census figures to state the proposed goals, 1990 census figures have been supplied to illustrate that licensee=s level of compliance.

1. LOUISIANA RIVERBOAT GAMING PARTNERSHIP: (Isle of Capri Casino - Bossier City)

Preliminary Approval: March 12, 1993 Operations commenced: April 22, 1994

A. <u>Voluntary Conditions:</u>

- a. Hire 75% Louisiana residents.
- b. Hire 24.3% minorities and women or in proportion with the population of state or parish, whichever is greater.
- c. Hire 770 persons in riverboat and support operations.

- a. Procure 75% of goods and services from or through Louisiana companies, excluding Riverboat construction and purchase of gaming devices and supplies.
- b. Procure 10% and 10% of goods and services from minority and women majority-owned firms.

B. Actual Results per Quarterly Reports supplied by Riverboats:

December 31, 1998

i. Employment Results:

Total	1,225
Louisiana	98.20%
Minority	62.04%
Female	60.33%

ii. Procurement Results:

Total La.	58.61%
Minority	12.44%
Female	23.41%

C. <u>1990 Statewide censu</u>s results:

Minority Percentage: 34.76% Female Percentage: 51.86%

2. RED RIVER ENTERTAINMENT OF SHREVEPORT PARTNERSHIP IN COMMENDAM:

(Harrah's - Shreveport)

Preliminary Approval: March 12, 1993 Operations commenced: April 18, 1994

A. Voluntary Conditions:

i. Employment Conditions:

a. Hire 80% Louisiana residents.

- b. Hire minorities and women in proportion
- c. Hire 700 persons in riverboat and support

- a. Procure 60% of goods and services from or gaming devices and supplies.
- b. Procure 25% of goods and services from
- c. Procure 10% of goods and services from

B. Actual Results per Quarterly Reports supplied by Riverboats:

December 31,1998

i. Employment Results:

Total 1,332 Minority 79.7% Female 58.9%

ii. Procurement Results:

Total La. 67.7% Minority 28% Female 22%

C. <u>1990 Statewide census results:</u>

Minority Percentage: 34.76% Female Percentage: 51.86%

3. PLAYERS LAKE CHARLES, INC.: (Players III - Lake Charles)

Preliminary Approval: March 12, 1993 Operations commenced: December 8, 1994

A. Voluntary Conditions:

- a. Hire 75% Louisiana residents.
- b. Hire minorities and women in proportion

c. Hire 800 persons in riverboat and support

ii. Procurement Conditions:

- a. Procure 60% of goods and services from or gaming devices and supplies.
- b. Procure 10% (minorities) and 9% (female)

construction period.

c. Procure 5% (minorities) and 5% (female) of

period.

B. Actual Results per Quarterly Reports supplied by Riverboats:

December 31, 1998

i. Employment Results:

Total 1,097 Louisiana 97.6% Minority 52% Female 59%

ii. Procurement Results:

Total La. 67.17% Minority 14.60% Female 8.21%

C. 1990 Statewide census results:

Minority Percentage: 34.76% Female Percentage: 51.86%

4. SHOWBOAT STAR PARTNERSHIP: (Star Casino - Lake Charles)

Preliminary Approval: March 26, 1993 Operations commenced: October 24, 1994

A. <u>Voluntary Conditions:</u>

- a. Hire 75% Louisiana residents.
- b. Hire minorities and women proportion to whichever is greater.
- c. Hire 800 persons in riverboat and support

- a. Procure 80% of goods and services from or gaming devices and supplies.
- b. Procure 10% and 10% of goods and services

B. Actual Results per Quarterly Reports supplied by Riverboats:

December 31, 1998

i. Employment Results:

Total 500 Louisiana 98% Minority 48% Female 60%

ii. Procurement Results:

Total La. 66.36% Minority 28.68%

C. 1990 Statewide census results:

Minority Percentage: 34.76% Female Percentage: 51.86%

5. HORSESHOE ENTERTAINMENT, A LOUISIANA LIMITED PARTNERSHIP:

(The Horseshoe - Bossier City)

Preliminary Approval: March 26, 1993 Operations commenced: July 9, 1994

A. Voluntary Conditions:

- a. Hire 75% Louisiana residents.
- b. Hire 45% minorities and women or in proportion to the population of the state or parish, whichever is greater.
- c. Employ 1000 persons in riverboat and

- a. Procure 75% of goods and services from or gaming devices and supplies.
- b. Procure 35% and 35% of goods and services
- B. Actual Results per Quarterly Reports supplied by Riverboats:

<u>December 31, 1998</u>

i. Employment Results:

Total	2,841
Louisiana	98%
Minority	59%
Female	59%

ii. Procurement Results:

Total La. 78% Minority 14% Female 17%

C. <u>1990 Statewide census results:</u>

Minority Percentage: 34.76% Female Percentage: 51.86%

6. LOUISIANA-I GAMING D/B/A LOUISIANA GAMING ENTERPRISES, LTD.:

(Boomtown Casino - Harvey)

Preliminary Approval: June 18, 1993 Operations commenced: August 5, 1994

A. <u>Voluntary Conditions:</u>

- a. Hire 90% Louisiana residents.
- b. Hire minorities and women in proportion to
- c. Employ 550 persons in riverboat and

- a. Procure 80% of goods and services from or gaming devices and supplies.
- b. Procure 15% and 15% of goods and services

B. Actual Results per Quarterly Reports supplied by Riverboats:

December 31, 1998

i. Employment Results:

Total	1,188
Louisiana	99.9%
Minority	47.2%
Female	59.5%

ii. Procurement Results:

Total La. 97.41% Minority 9.87% Female 16.81%

C. 1990 Statewide census results:

Minority Percentage: 34.76% Female Percentage: 51.86%

7. CATFISH QUEEN PARTNERSHIP/JAZZ ENTERPRISES, INC: (Belle of Baton Rouge - Baton Rouge)

Preliminary Approval: March 26, 1993 Operations commenced: September 30, 1994

A. Voluntary Conditions:

- a. Hire 90% Louisiana residents.
- b. Hire minorities and women in proportion to
- c. Employ 800 persons in riverboat and

- a. Procure 75% of goods and services from or gaming devices and supplies.
- b. Procure 15% and 15% of goods and services

B. Actual Results per Quarterly Reports supplied by Riverboats:

December 31, 1998

i. Employment Results:

Total	698
Louisiana	98.85%
Minority	57.45%
Female	50.72%

ii. Procurement Results:

Total La.	75.44%
Minority	18.39%
Female	17.21%

C. <u>1990 Statewide census results:</u>

Minority Percentage: 34.76% Female Percentage: 51.86%

8. TREASURE CHEST CASINO, L.L.C.: (Treasure Chest - Kenner)

Preliminary Approval: June 18, 1993 Operations commenced: September 5, 1994

A. Voluntary Conditions:

- a. Hire 80% Louisiana residents.
- b. Hire minorities and women in proportion to

c. Employ 500 persons in riverboat and

ii. Procurement Conditions:

- a. Procure 75% of goods and services from or gaming devices and supplies.
- b. Procure 15% and 15% of goods and services

B. Actual Results per Quarterly Reports supplied by Riverboats:

December 31, 1998

i. Employment Results:

Total	1,321
Louisiana	99.69%
Minority	38.94%
Female	48.05%

ii. Procurement Results:

Total La. 89.75% Minority 9.88% Female 19.62%

C. <u>1990 Statewide census results:</u>

Minority Percentage: 34.76% Female Percentage: 51.86%

9. LOUISIANA CASINO CRUISES, INC.: (Casino Rouge - Baton Rouge)

Preliminary Approval: March 26, 1993 Operations commenced: December 28, 1994

A. <u>Voluntary Conditions:</u>

i. Employment Conditions:

- a. Hire 80% Louisiana residents.
- b. Hire minorities and women at 30% and 35%

greater.

c. Employ 600 persons in riverboat and

a. Procure 80% of goods and services from or through Louisiana companies, excluding

b. Procure 10% and 10% of the total cost

firms during the re-opening phase. During the postphase, to procure 10% cost of goods and and women suppliers construction opening operating and 10% of the total services from minorities (respectively) majority owned and firms.

B. Actual Results per Quarterly Reports supplied by Riverboats:

December 31, 1998

i. Employment Results:

Total 940 Louisiana 99.46% Minority 56.49% Female 52.34%

ii. Procurement Results:

Total La. 83.97% Minority 7.51% Female 8.38%

C. <u>1990 Statewide census results:</u>

Minority Percentage: 34.76% Female Percentage: 51.86%

10. **BELLE OF ORLEANS, L.L.C.:**

(Belle of Orleans (Bally's) - New Orleans)

Preliminary Approval: June 18, 1993 Operations commenced: July 7, 1995

A. Voluntary Conditions:

i. Employment Conditions:

- a. Hire 70% Louisiana residents.
- b. Hire minorities and women in proportion whichever is greater.
- c. Hire 400 persons in riverboat and support

ii. Procurement Conditions:

- a. Procure 80% of goods and services from or gaming devices and supplies.
- b. Procure 30% of goods and services from
- c. Procure 10% of goods and services from

B. Actual Results per Quarterly Reports supplied by Riverboats:

December 31, 1998

i. Employment Results:

Total	911
Louisiana	99%
Minority	70%
Female	57%

ii. Procurement Results:

Total La. 63% Minority 29% Female 7%

C. 1990 Statewide census results:

Minority Percentage: 34.76% Female Percentage: 51.86%

11. ST. CHARLES GAMING COMPANY, INC. (Isle of Capri - Lake Charles)

Preliminary Approval: June 18, 1993 Operations commenced: July 29, 1995

A. <u>Voluntary Conditions:</u>

i. Employment Conditions:

- a. Hire 75% Louisiana residents.
- b. Hire minorities and women in proportion
- c. Hire 650 persons in riverboat and support

ii. Procurement Conditions:

- a. Procure 60% of goods and services from or
- b. Procure 10% and 10% of goods and services

B. <u>Actual Results per Quarterly Reports supplied by Riverboats:</u>

<u>December 31, 1998</u>

i. Employment Results:

Total 1,274 Louisiana 97.3% Minority 51.33% Female 57.38%

ii. Procurement Results:

Total La. 84.19% Minority 20.19% Female 16.01%

C. 1990 Statewide census results:

Minority Percentage: 34.76% Female Percentage: 51.86%

12. **GRAND PALAIS RIVERBOAT, INC.** (Isle of Capri - Lake Charles)

Preliminary Approval: June 18, 1993 Operations commenced: July 12, 1996

A. <u>Voluntary Conditions:</u>

- a. Hire 90% Louisiana residents.
- b. Hire minorities and women in proportion
- c. Hire 520 persons in riverboat and support

- a. Procure 90% of goods and services from or
- b. Procure 10% and 8% of goods and services

B. Actual Results per Quarterly Reports supplied by Riverboats:

December 31, 1998

i. Employment Results:

Total 616 Louisiana 91.6% Minority 36.30% Female 60%

ii. Procurement Results:

Total La. 40.33% Minority 15.48% Female 6.10%

C. 1990 Statewide census results:

Minority Percentage: 34.76% Female Percentage: 51.86%

13. CRESCENT CITY CAPITAL DEVELOPMENT CORP. (Casino Magic - Bossier City)

Preliminary Approval: June 18, 1993 Operations commenced: October 4, 1996

A. <u>Voluntary Conditions:</u>

i. Employment Conditions:

a. Hire 80% Louisiana residents.

- b. Hire minorities and women in proportion
- c. Hire 775 persons in riverboat and support

- a. Procure 80% of goods and services from or
- b. Procure 10% and 10% of goods and services

B. Actual Results per Quarterly Reports supplied by Riverboats:

December 31, 1998

i. Employment Results:

Total	1,379
Louisiana	98.5%
Female	57.2%
Minority	63.7%

ii. Procurement Results:

Total La.	55%
Minority	3.2%
Female	9.4%

C. 1990 Statewide census results:

Minority Percentage: 34.76% Female Percentage: 51.86%